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VIA ELECTRONIC FILING

Jocelyn G. Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

RE: Petition of the Office of Regulatory Staff ("ORS") for a Proceeding to Timely Review FCC Mandated Reductions to Intrastate Access Tariffs

Docket No.: 2012-136-C

Dear Ms. Boyd:

The South Carolina Office of Regulatory Staff ("ORS") is very pleased to inform the Public Service Commission of South Carolina (the "Commission") that starting with the January 2013 monthly bill for the Interim Local Exchange Carrier Fund (the "ILF"), ORS has adjusted the contributions to the ILF to account for the Federal Communications Commission required reductions, and for funds contributed during the period of July 1, 2012 through December 31, 2012, but withheld. Prior to July 1, 2012, the ILF was a \$32.6 million fund. After incorporating the reduction effective July 1, 2012, the ILF has been reduced to \$24.2 million, resulting in an annualized 2012 Fund year requirement of \$25.7 million.

Starting in January, the portion of the payments associated with terminating switched access charges that were withheld as allowed by Order No. 2012-657, will be credited back to the contributing carriers over a period of four months (January – April 2013). Pursuant to Order No. 2012-657 the Commission granted ORS the flexibility to determine the manner in which contributed funds are returned, credited or disbursed to the contributing companies.

ORS greatly appreciates the assistance the Commission Staff provided in this matter and the cooperation of all the telephone utilities.

Very truly yours,

Nanette S. Edwards

cc: Parties of Record